

Peter Szanto 949-887-2369
11 Shore Pine
Newport Beach CA 92657

U.S. BANKRUPTCY COURT

DISTRICT OF OREGON

1001 SW 5th Ave #700 Portland, OR 97204 (503) 326-1500

In Re Peter Szanto,
Debtor

16 –bk-33185 pcm7

Hearing is
Requested

DEBTOR’S Notice of Motion and
Motion to Disqualify and / or
Strike-Out Sham Employment
Application of Singapore Counsel
And ORDER Thereon
(Docket Entries 625 and 722)

There is only one unwavering and rock-solid essential reality in Judge McKittrick’s Court: attorneys can do whatever they please irrespective of reasonableness, truth, justice or law. Now the Court has, without legal justification, extended its unending beneficence to counsel not even licensed to practice law in the United States of America.

This, the Court simply cannot do !!!!!!! The Court has no jurisdiction to allow employment of counsel who are not qualified to practice law in the United States to undertake actions which are not allowed by United States Bankruptcy law.

1
2 The latest clearly erroneous action which is being imposed on debtor
3 is that this Court has empowered the Trustee to go outside the bounds of
4 Oregon jurisdiction and allow employment of counsel not licensed to
5 practice in the United States --- **counsel over whom this Court has no**
6 **control – counsel whose qualifications are unknown – and counsel**
7 **who seeks to declare debtor an involuntary BANKRUPT in Singapore.**
8 [EXHIBIT A, Singapore proceeding hearing information].
9

10
11 In point of fact, what this Court has done is to usurp for itself *ultra*
12 *vires* jurisdiction under Singapore's Bankruptcy law so as to make debtor
13 an involuntary Bankrupt in Singapore. [EXHIBIT A]
14

15 This Court simply does not have the power further to destroy
16 debtor's financial life over matters 12,000 miles away from its actual
17 Oregon / United States jurisdiction which have occurred post-petition.
18
19

20
21 **1. Debtor's Certification Relating to Pre-filing Conferral**
22 **(Certification Pursuant to LBR 7007-1 (a))**

23 On 4-18-19, at 8AM Debtor telephoned Trustee Candace Amborn at
24 541-858-9591. The recorded salutation stated that Amborn's office hours
25 were from 8AM to 3PM. Thus verifying that debtor was telephoning during
26 Amborn's business hours.
27

Debtor anticipated that someone would pick-up the phone, but instead the call went to voice mail. Debtor requested a return call to discuss the matters related herein.

As of 4-22-19 (5 days later), debtor has received no return call.

Thereupon, pursuant to LBR 7007-1(a)(1)(A): a good faith effort at resolution was made, but the parties were unable to resolve the conflict as to the issues which are the subjects of this motion, because the response of the Trustee was lack of interest in the subject matter herein.

I certify under penalty of perjury under the laws of the United States, that the foregoing is true and correct. Signed in the Republic of Singapore.

Dated 4/23/ 2019 /s/ signed electronically Peter Szanto

note: this document is sent for filing on 4-23-19 from Singapore, while it is still 4-22-19 in Portland

2. NOTICE PER LBR 9013-1(b)

Notice!!! If you oppose the proposed course of action or relief sought in this motion, you must file a written objection with the bankruptcy court no later than 14 days after the date listed in the certificate of service below. If you do not file an objection, the court may grant the motion without further notice or hearing. Your objection must set forth the specific grounds for objection and your relation to the case. The

1
2 objection must be received by the clerk of court at ** 1050 SW 6th Ave – Room
3 #700 Portland OR 97204 ** by the deadline specified above or it may not be
4 considered. You must also serve the objection on Peter Szanto at 11 Shore Pine,
5 Newport Beach CA 92657 within that same time. If the court sets a hearing, you will
6 receive a separate notice listing the hearing date, time, and other relevant
7 information.
8

9 10 3. NOTICE

11
12 To the Court and to the Trustee and its counsel: please take
13 notice – debtor herewith and hereby makes application to the Court for the
14 disqualification of Singapore counsel from the proceedings herein.
15

16 4. GROUNDS

17
18 11 U.S.C. § 327(a) provides:

19 Except as otherwise provided in this section, the trustee, with the court's approval,
20 may employ one or more attorneys. . . . that do not hold or represent an interest
21 adverse to the estate, and that are disinterested persons, to represent or assist the
22 trustee in carrying out the trustee's duties under this title.

23 Here, the plain meaning of this rule, as expressed in Oregon District Court
24 Rule LR 83-3, is that the attorneys participating in this action in this District
25 will be **United States** attorneys over whom the Court will have control.

26 This is so because, as has already be proven by the proceedings in
27 Singapore, Mr. Ong **is not inclined to participate in the essentials of**

American justice (neither procedurally, nor ethically, nor morally).

That is, Mr. Ong served no papers on debtor, provided debtor with no notice of hearings and did not respond to debtor's efforts regarding information as to the nature of the claims against debtor and debtor's spouse's post-petition assets in Singapore.

In point of fact, Mr. Ong appears to be just a **friend, buddy or pal** of either Mr. Arnot or Mr. Blackledge who has been blessed to make some extra money from debtor's blood, bone and skin outside all bounds of United States Bankruptcy law.

As will be discussed more fully momentarily, Mr. Ong's strategy is to make debtor an involuntary Bankrupt under Singapore's Bankruptcy law so that debtor and his spouse's post-petition Singapore property can be expropriated in the same manner as debtor's pre-petition property in the United States has already been expropriated for the personal benefit and intense pleasure of Mr. Arnot and Mr. Blackledge.

**a. Per Local Rule Only Counsel of United States
Licensure May Appear in this District**

(Docket Entries 625 and 722) **have already anointed** Singapore counsel with *pro hac vice* status¹ in this District without benefit of

- - - - -
1. see 16-bk-33185 docket sheet whereupon Mr. Ong is shown as bona fide counsel of record in this proceeding!! As though he were a U.S. attorney!

1
2 licensure in the United States. Singapore counsel has already been
3 admitted to practice and participate in this Oregon Federal District case in
4 contravention of the Local Rule 83 as though he were licensed to practice
5 in the United States.
6

7 Local Bankruptcy Rule 9010-1(a) mandates that “To appear before
8 the court, an attorney must be admitted to practice before the district
9 court.”
10

11 Admission to practice before the District Court is governed by that
12 Court’s Rule 83-3, which prohibits participation by Singapore counsel thus:
13

14 LR 83-3(a) limits participation by non-Oregon as follows
15

16 Any attorney who is an active member in good standing **of the bar of any United**
17 **States court, or the highest court of any state, territory, or insular**
18 **possession of the United States**, may apply to be specially admitted *pro hac*
vice in a particular case, provided he or she:

- 19 1. Associates with an attorney admitted to general practice before the bar of this Court,
20 who will meaningfully participate in the preparation and trial of the case. (*See* LR 83-
21 2 *and* LR 83-4).
22 2. Pays the admissions fee and files a *pro hac vice* admission application in every case
23 in which the attorney seeks to be specially admitted.
24 3. Certifies having professional liability insurance, or financial responsibility equivalent
25 to liability insurance, that meets the insurance requirements of the Oregon State Bar
26 for attorneys practicing in this District, and that will apply and remain in force for the
27 duration of the case, including any appeal proceedings.

28 Here, as will be discussed more fully below, there is no provision

1
2 for Singapore counsel to be participating in this case contrary to the rules
3 stated here.

4 5 **5. FACTS**

6 Trustee Arnot and his counsel Mr. Blackledge have revealed to
7 debtor that they are close personal friends with Judge McKittrick – and,
8 combined, have approximately 60 years of camaraderie and friendship
9 with the Court.

10
11 Mr. Arnot and Mr. Blackledge have been graced with permission
12 to “put in their own pockets” about \$200,000 of debtor’s estate. Another
13 \$400,000 of estate assets have not been accounted for by Mr. Arnot. And
14 there is currently about \$150,000 of debtor’s household furniture in the
15 Trustee’s possession.

16
17 The extermination of debtor, the **final solution** to this Bankruptcy,
18 has been an unconscionable feast of wealth, riches and property for Mr.
19 Arnot and Mr. Blackledge. Apparently, they now seek to pass that blessing
20 on to Singapore counsel Ong, so that debtor and his spouse’s post-petition
21 property in Singapore can, likewise, be looted and expropriated!

22 Upon this basis, Mr. Arnot and Mr. Blackledge view the eradication
23 and liquidation of debtor as a lavish repast of fees, unconscionable hourly
24 charges and thievery for which there will never be any accountability,
25 responsibility or retribution – and from which they will be entirely shielded
26 as to liability both personally and professionally. The further benediction of
27

1
2 wealth unto Singapore counsel is just a bonus of their on-going efforts to
3 exterminate debtor and his spouse from existence.
4

5 In short, Mr. Arnot and Mr. Blackledge “**will get away with**” all of
6 their misdeeds and “**live happily ever-after**” enjoying their ill-gotten loot
7 derived impermissibly from debtor and debtor’s spouse’s lifetime of hard
8 work.
9

10 Mr. Arnot has testified, under oath, from the witness stand, that he
11 has no knowledge of stock, options, CFD’s, futures and foreign exchange
12 transactions by which debtor made the majority of his income prior to
13 conversion.
14

15 In December 2017, **post petition**, solely because of Mr. Arnot’s
16 failure to take the appropriate action necessary to stop the loss of debtor’s
17 assets and the diminishment of debtor’s estate, some money from debtor’s
18 estate was converted to Singapore dollars.
19

20 It is neither illegal nor improper to own Singapore dollars. One very
21 valid business strategy is to own Singapore dollars in anticipation that they
22 will appreciate in value.
23

24 Purchase by debtor’s brokerage account of Singapore dollars
25 happened automatically, based on HSBC’s proprietary trading platform’s
26 receipt of debtor’s funds from E-Trade which were automatically tendered
27 to HSBC based on various pre-set trading metrics (which Mr. Arnot, very
28 negligently, did not monitor so as to preserve estate assets). Based on

1
2 additional proprietary metrics at HSBC some of these funds were
3 converted to Singapore dollars.
4

5 Mr. Arnot immediately presumed, very very erroneously, that debtor
6 was impermissibly transferring estate assets to Singapore.
7

8 Debtor's spouse's service with the Singapore self-defense forces
9 began in 1973. Since then, she has had bank and brokerage accounts at
10 HSBC, **on which debtor began as a pay-on-death beneficiary.**

11 In 2018, post-petition, debtor's spouse's health deteriorated. Debtor,
12 was and still is, strained to mental devastation by the prospect of his wife's
13 death. During an emotional discussion with Mr. Arnot, debtor revealed that
14 his spouse had received a military pension for health care purposes from
15 the government of Singapore (*and that she might not die*).
16

17 Debtor also revealed that while visiting his invalid spouse he had
18 been offered employment in the field of equine health at various facilities in
19 Singapore focused on equestrian endeavors.

20 This fact motivated Mr. Arnot to action to seize debtor's post-petition
21 earnings and debtor's spouse's money for medical care **under the**
22 **outrageously false and fraudulent pretext that somehow those funds**
23 **were estate assets that were acquired pre-petition.**
24

25 **In the environment of Judge McKittrick's courtroom, wherein all**
26 **attorneys are believed all of the time, irrespective of their truthfulness, Mr.**
27 **Arnot knew it would be an easy "slam dunk" to get Judge McKittrick to**

1
2 sign-off on expropriating debtor and his spouse's post-petition Singapore
3 assets. That is what Mr. Arnot's bogus, reputation destroying, contempt
4 motion was all about!!!

5
6 One conversation between Mr. Arnot and debtor went like this. Arnot
7 said, let me have your Singapore assets. If I find they are post-petition, I
8 will give that money back to you.

9
10 Debtor: "Yeah – right." (Debtor stated this most sardonically!)

11
12 Mr. Arnot has controlled \$1.3 million of debtor's assets. At least
13 \$750,000 have already gone into Mr. Arnot and Mr. Blackledge's pockets.
14 The balance is already allocated and promised to Mr. Henderson's pocket.

15 **The notion that debtor will recover any of his money is insane.**
16 So debtor simply does not believe that Mr. Arnot would give back any
17 post-petition money upon which he got his hands.

18
19 More importantly, debtor and his spouse's HSBC bank account in
20 Singapore is a joint, post-petition, account which contains money received
21 by debtor's spouse for liver transplantation treatment. The loss of these
22 moneys to Mr. Arnot's insipid promise of return would be fatal to her life.

23
24 For the purpose of "getting his hands on" debtor's spouse's money,
25 Mr. Arnot has concocted the present charade of employing Singapore
26 counsel to do his "dirty work" of further enriching himself with post-petition
27 money which has nothing to do with the instant Bankruptcy.

As [EXHIBIT A] demonstrates, Mr. Ong's present effort in Singapore is to put debtor into involuntary Bankruptcy, so all of debtor's assets can be seized and expropriated. **Mr. Ong has been authorized to do this!**

The instant application seeks to stop Singapore counsel's improper entry into this Bankruptcy such that debtor and his spouse's post-petition assets are not also liquidated for Mr. Ong's personal self-enrichment.

6. MEMORANDUM

a. Based on Facially Defective Employment Application **Mr. Ong Cannot Continue in this Case**

Mr. Ong is currently listed on the docket sheet as attorney of record for Trustees Arnot and Amborn. This fact is further affirmed in [EXHIBIT B, p.2] whereat Mr. Ong certifies he is attorney of record in this action. As such, Mr. Ong claims he is a participating attorney in this case.

Local Bankruptcy Rule 9010-1(a) mandates that "To appear before the court, an attorney must be admitted to practice before the district court."

Admission to practice before the District Court is governed by that Court's Rule 83-3, which prohibits participation by Singapore counsel thus:

LR 83-3(a) limits participation by non-Oregon as follows

Any attorney who is an active member in good standing **of the bar of any United States court, or the highest court of any state, territory, or insular possession of the United States**, may apply to be specially admitted *pro hac vice* in a particular case, provided he or she:

4. Associates with an attorney admitted to general practice before the bar of this Court, who will meaningfully participate in the preparation and trial of the case. (*See* LR 83-2 and LR 83-4).
5. Pays the admissions fee and files a *pro hac vice* admission application in every case in which the attorney seeks to be specially admitted.
6. Certifies having professional liability insurance, or financial responsibility equivalent to liability insurance, that meets the insurance requirements of the Oregon State Bar for attorneys practicing in this District, and that will apply and remain in force for the duration of the case, including any appeal proceedings.

Mr. Ong has not fulfilled any of these requirements and so must be disqualified immediately.

Condition precedent for appearance is licensure in the United States. Mr. Ong's own self-serving biography [EXHIBIT C] shows that Mr. Ong is not licensed to practice in the United States. Thereupon, Mr. Ong by the District Court's own rules cannot practice in this Court, because he is not a United States attorney.²

The application for employment must be vacated and stricken, because Mr. Ong cannot be counsel of record in this Bankruptcy, because he is not qualified as a United States attorney (USDC OR Rule 83-3).

1. Good Cause for Control over Counsel

This Court knows, or should know, that the goal of Trustee Arnot and Mr. Blackledge is personal self-enrichment and the murder of debtor. It is safe to say that these "goals" have been transmitted to Mr. Ong as proper motives to be employed in Singapore. Mr. Ong has demonstrated by his effort to declare debtor BANKRUPT in Singapore [EXHIBIT A], he is eager to "hop on the gravy train" of "cashing-in" on debtor's extermination.

2. Both Trustees Arnot and Amborn have disregarded the requirement that only United States Counsel may appear in this District. This demonstrates very clearly what debtor has contended throughout this action: attorneys appearing before Judge McKittrick know that the rules are unimportant in the blatant and ultra biased extermination of Peter Szanto! The sooner Szanto dies the sooner everyone gets paid!

1
2 Ultimately, what the rules require is that this Court control, rein-in
3 and restrain the gluttonous, self-serving aspirations of counsel seeking to
4 enrich themselves at debtor's estate's expense and detriment:

5 *Pro hac vice* admission “satisfies the reasonable interest of the District Court in having a
6 member of its Bar, who is subject to the court's general control, be professionally responsible
7 for the litigation and who can be served with papers, can be notified of hearings and can be
8 held accountable if anything reflecting on the Court or an abuse of its process occurs during
the course of the litigation.”

9 *Sanders v. Russell*, (1968) 401 F.2d 241, 248

10 Here, this Court must maintain control over this litigation. The
11 Trustees and Mr. Blackledge have initiated an “end run” by going to
12 Singapore to seek to place debtor in involuntary Bankruptcy so as to seize
13 debtor and his spouse's post-petition assets (most of which are for Susan
14 Szanto's essential health care).

15
16
17 **2. Mr. Ong's Colleagues Also Cannot Practice in the USA**

18 Further to confound this Court and to abuse its rules, the Trustee
19 has also identified Mr. Chow and Ms Hon as additional persons who will
20 be, in an unspecified capacity, enriching themselves from debtor's estate.
21

22 As a matter of fact, Mr. Chow is also not licensed to practice in
23 the United States [EXHIBIT D]. Chow's self-serving bio, shows no United
24 States Licensure.

25
26 As for Ms Hon, debtor is familiar with her appearance from the
27 hearing held in Singapore. First, Ms Hon does not appear on Rajah and
28

1
2 Tann's roster of attorneys [EXHIBIT E]. Thus, she cannot appear in this
3 case, because she is not even an attorney. As a matter of fact debtor
4 researched that Ms Hon is actually a news reporter [EXHIBIT F].³
5

6 Here too, this Court must face the absolute fact that the Trustees
7 are merely focused on this case as mere amusement and self-enrichment,
8 when they are able to hornswoggle this Honorable Court into signing off on
9 the employment of a news reporter at the rate of \$700 / hour.

10
11 **3. Mandate of Employment Statute is Offended**

12 11 USC 327(a) requires that persons employed by the Trustee
13 and approved by the Court "do not hold or represent an interest adverse to
14 the estate, and that are disinterested persons, to represent or assist the
15 trustee in carrying out the trustee's duties under this title."
16

17 Here, as demonstrated by [EXHIBIT A]'s effort to declare debtor
18 BANKRUPT in Singapore, it is clear that Mr. Ong's focus is on "grabbing"
19 far more of debtor's estate than is provide for by the employment ORDER
20 [EXHIBIT B, 3(a)] which allows only:
21

22 Prepare any and all documents necessary to domesticate and/or register the court's
23 order in Singapore for turnover of records and any and all funds constituting
24 property of the bankruptcy estate held by HSBC Singapore Bank.

25 - - - - -
26 ***3. Here again, this Court's unswerving belief that all attorneys appearing***
27 ***before it are sainted proves to be silly when the Trustees intentionally and***
cavalierly employ a news reporter to participate in the effort to involuntarily
place debtor into Bankruptcy in a foreign country.

Thus, **first**, the position of Mr. Ong is **adverse** to the interests of debtor, because he seeks to go far beyond merely the funds at HSBC and attack all of debtor and his spouse's Singapore assets.

The **second** aspect of Mr. Ong's **adversity** to debtor is the fact that he has "suckered" both Trustees into believing that a news reporter should be paid as an attorney for attending debtor's attempts to defend his post-petition assets in Singapore.

Third, apparently because Mr. Arnot and Mr. Blackledge have told Mr. Ong that he could "really milk" this case, Mr. Ong has gone completely for debtor's "jugular vein" --- by seeking to cause debtor to be declared a BANKRUPT in Singapore. This fact by itself demonstrates a lack of **disinterestedness**, because Mr. Ong's sole goal is his own personal self-enrichment, by seeking all of debtor and his spouse's Singapore assets and property.

The mandate of 11 USC 327 is being intentionally abrogated for the personal gain of a person in Singapore who has no United States attorney privilege to participate, **as a matter of law**, in this case in any event!!!!

4. Requirements of No Adverse Interest and Disinterest Cannot Be Waived

The requirements of 11 USC 327(a) that persons employed by the Trustee and approved by the Court "do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the trustee in carrying out the trustee's duties under this title," cannot be waived.

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2 The mandatory provisions of 11 USC 327(a) do not allow for
3 waiver. *In re Perry*, (1996) 194 B.R. 875 accord *In re Envirodyne Indus.*,
4 *Inc.*, (1993) 150 B.R. 1008 accord *In re Tinley Plaza Assocs.* (1992) 142
5 B.R. 272 accord *In re Diamond Mortgage Corp.*, (1990) 135 B.R. 78
6 accord *In re Amdura Corp.*, (1990) 121 B.R. 862 also *Collier - Bankruptcy*
7 ¶ 328.05[3], at 328–32 (15th ed. rev.1997).

8
9 The rule of 11 USC § 327 must be followed such that Mr. Ong's
10 focus on personal self-enrichment does not become the mandate of this
11 Court's employment ORDER. Mr. Ong's interest is increasing his own
12 wealth, that is improper and forbidden by 11 USC § 327.

13
14 For these reasons, Mr. Ong must be disqualified from further
15 participation in this case.

16 **7. Declaration**

- 17
18 1. My name is Peter Szanto.
19 2. I am the debtor herein.
20 3. This is my truthful declaration supporting my request for the present
21 and immediate disqualification of the employment of Singapore
22 counsel.
23 **4. I have not been served with any process from Mr. Ong or his**
24 **law firm relating to the Singapore involuntary Bankruptcy action.**
25 5. I was shocked to learn – when I arrived at the Singapore Supreme
26 Court house -- that Mr. Ong was seeking to make me an involuntary
27 Bankrupt so that he could seize healthcare assets Mrs. Szanto

has been awarded post-petition in Singapore.

6. Mr. Arnot and Mr. Blackledge have emphasized to me that they are close personal friends of Judge McKittrick going back 30+ years.

7. I have seen counsel Hon in the courtroom and she is the news reporter shown in [EXHIBIT F].

8. Neither Mrs. Szanto nor I have any debts in Singapore.

9. There is no basis at law for me to be declared Bankrupt in Singapore, because I owe no money in Singapore.

10. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Signed in Singapore.

Dated 4/23/ 2019 /s/ signed electronically Peter Szanto

8. Conclusion

For the reasons enumerated *supra*, debtor prays immediate disqualification of Singapore counsel.

The ability to participate in this action is governed by various rules, most particularly 11 USC § 327. Those rules must not be sacrificed and made meaningless solely for the greed and avarice of the Trustees, Mr. Blackledge and Mr. Ong.

This Court has no discretion to allow the merciless efforts of personal self-enrichment by Mr. Ong to make meaningless the Bankruptcy

1
2 rules and laws of the United States of America: this Court can not
3 authorize and approve that a non-United States person be allowed to
4 make me a BANKRUPT in a foreign jurisdiction.

5
6 Mr. Ong must be disqualified from further participation in this
7 matter, because he has no standing to practice law in this case – and
8 because he has taken it upon himself to pursue making debtor a
9 BANKRUPT in Singapore where debtor has no debts!!!

10
11 Respectfully,

12 Dated 4/23/2019 /s/ signed electronically Peter Szanto
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2 **PROOF of SERVICE**
3

4 My name is Maquisha Reynolds, I am over 21 years of age and not a party to
5 the within action. My business address is PO Box 14894, Irvine CA 92623
6

7 On the date indicated below, I personally served the within:

8 **Notice of Motion and Motion to Disqualify**

9 on the following by placing in postage pre-paid envelopes of the within
10 document and mailing same:

11 a. Internal Revenue Service, PO Box 7346, Philadelphia PA 19101

12 b. First Service Residential, 15241 Laguna Canyon Rd, Irvine CA 92618

13 c. JPMorgan Chase Bank, represented by:

14 Gadi Shahak c/o Shapiro & Sutherland

15 1499 SE Tech Center Place, Suite 255 , Vancouver, WA 98683

16 d. Bank of America, c/o McCarthy & Holthus 920 SW 3rd Av., Portland OR 97204

17 e. Oregon Department of Revenue, 955 Center St., Salem OR 97301

18 f. Chapter 7 Trustee, C. Amborn, PO Box 580, Medford OR 97502

19 g. Susan Szanto - 11 Shore Pine, Newport Beach CA 92657

20 h. Office of the US Trustee, 620 SW Main Street, Suite 213, Portland, OR 97205

21 by mailing copies to the above parties *via* 1st class mail, postage prepaid, or by
22 e-mail.

23 i. DANNY ONG, 9 Battery Road #25-01 Singapore 049910

24 I declare under penalty of perjury under the laws of the United States
25 that the foregoing is true and correct. Signed at Irvine CA.

26 Dated 4/22/ 2019 /s/ signed electronically M. Reynolds
27